



BUSINESS COURSEWORK
TIGER CHOCOLATE

By Rokas Kanciauskis

Design of a Chocolate Bar

Aims: The main aims of a business are:

- To make profit
- To get bigger shares
- To be eco-friendly
- To SURVIVE!

Objectives give the business a **clearly defined target**. Plans can then be made to achieve these targets. This can motivate the employees. It also enables the business to measure the progress towards its stated aims.

Business usually follow S.M.A.R.T this stand for S=Specific
M=Measurable A=Achievable R=Realistic T=Time

S - Specific - objectives are aimed at what the business does.

M - Measurable - the business can put a value to the objective, e.g. £10,000 in sales in the next half year of trading.

A - Agreed by all those concerned in trying to achieve the objective.

R - Realistic - the objective should be challenging, but it should also be able to be achieved by the resources available.

T- Time specific - they have a time limit of when the objective should be achieved, e.g. by the end of the year.

Introduction

As part of my GCSE coursework I have been employed as the new marketing consultant of "Tiger Chocolate". I have been asked to create and design a new chocolate bar for a company. I will have to find out primary and secondary research.

To start of I will have to look of the need of the customers. I will then have a look how my competitors advertise their chocolate bar. I will use secondary sources such as Internet and sending letters off to other big chocolate companies.

Once I have devised my own marketing strategy, I shall finish off my project by evaluating how successful this strategy will be. This will tell me how useful it is when launching the new chocolate bar.



Importance of Customers

The main of a business is to have customers, without them you will lose sales and won't gain profit. They are essential part of the business because they have money, which they use to buy the product (chocolate bar). If the customers like the product they will pass the information to other people to buy it word-of-mouth, so the sales and the popularity increase.

Some people are in special focus groups, what they do is test the product and give feedback to the company this is important because they know if the product is good or not e.g. the drink in USA Disanni they used tap water which didn't work.

If the customers like the new product they will come back and buy the product again and maybe spread the word for other people to buy it. This is called repeat purchase. Chocolate companies new to do a lot of advertising because they bring out a lot of new products and pretty much you see your companies name everywhere where you go. The best to get research about you product is to ask people if they like the packaging and the product.

Competition

Competition is another big thing in business that is really important and smaller companies are struggling, because of big companies running over them. All the companies try to make good quality products using costs as low as possible.

Competition occurs in any type of business starting from Chocolate bars to Cars. Competition between manufacturers consists of developing products that retail stores want to stock. Competition between businesses or stores consists of trying to get the customer to buy their product instead of the one offered by the competitor. In such cases, there is a clear winner and loser. But in the larger picture, businesses compete to see which has the greater market share and is more successful. There are three main models for competing in business. Competing for an individual sale determines a winner and loser among businesses. The total sales determine the success of the business in the competition.

Competing for sales

Individual sales

When a customer considers buying a product or service, there is a competition among all businesses offering that item or something similar. They are competing on the basis of price, availability, location of the store, and the quality of the extra service provided, among other factors. The purchase determines the winner and the losers in that particular sale. Then they move on to the next sale.

Success

As the number of wins and loses add up, it is a determination of which company is more successful in competing for customer sales. Those that are behind the leader may change their

marketing strategies or even location in order to move ahead. Some businesses will do so poorly that they abandon the cause and go out of business or change to a different product-line.

Manufacturing competition

Companies making similar products compete in the areas of wholesale price, innovations, marketing and distribution, among other areas. These businesses sell their product to retail outlets and stores that may handle a range of similar products. Thus, a sale to one store or business is not really a win over the competition, because they may also sell to them.

The success of manufacturers depends on who makes the most appealing products at the lowest prices, plus who has the best distribution channels.

For example, Apple Computer has been known to make innovative products that are very stylish, although somewhat more expensive than other computer manufactures. They have a successful niche in the computer and electronic gadget market.



Niche market & Segment Market

A **niche market** is the subset of the market on which a specific product is focusing on; Therefore the market niche defines the specific product features aimed at satisfying specific market needs, as well as the price range, production quality and the demographics that is intended to impact.

Every single product that is on sale can be defined by its niche market. As of special note, the products aimed at a wide demographics audience, with the resulting low price (due to Price elasticity of demand), are said to belong to the Mainstream niche, in practice referred only as Mainstream or of high demand. Narrowed demographics though lead to elevated price because of the same principles.

A **market segment** is a group of people or organizations sharing one or more characteristics that cause them to have similar product and/or service needs. A true market segment meets all of the following criteria: it is distinct from other segments (different segments have different needs), it is homogeneous within the segment (exhibits common needs); it responds similarly to a market stimulus, and it can be reached by a market intervention. The term is also used when consumers with identical product and/or service needs are divided up into groups so they can be charged different amounts. These can broadly be viewed as 'positive' and 'negative' applications of the same idea, splitting up the market into smaller groups.

Desk and Field Research

Desk Research (sometimes known as secondary research) involves gathering data that already exists either from internal sources of the client, publications of governmental and non-governmental institutions, free access data on the internet, in professional newspapers and magazines, in annual reports of companies and commercial databases to name but a few. In many projects, carrying out an initial desk research stage is strongly recommended to gain background knowledge to a subject as well as providing useful leads that will help to get the maximum from a research budget. Desk research is where you look for information without moving your feet. This is the use of **existing data** that has already been collected. It can be anything from a company's own sales statistics to Department of Trade and Industry reports

Has the advantage of being cheaper and quicker than field research. The disadvantages are not knowing if the findings are accurate, or how relevant they will be to your product.

Field Research is activities aimed at collecting primary (original or otherwise unavailable) data rather relying on published material. In marketing, it involves face-to-face interviewing, telephone and postal surveys, and direct observation. So term field means that you have to go out and get the information yourself, it is different from Desk Research.

Marketing

Marketing mix is made up out of 4P's they stand for: Product, Price, Place and Promotion



Price- You can use different pricing methods like skimming and penetration pricing usually you use penetration pricing because the products are aimed at families with low costs and quite good quality. Skimming is another pricing method it costs quite a lot of money to make so It would cost a lot to make and only rich people could products like that e.g. Rolex or Ferrari

Product- If you are selling a product for youths it has to be good quality and a lot of 'add-ons' because young people all the latest technology but if your product is aimed at the old people it would be more simple and with hardly any 'add-ons'. There are products that are aimed at the niche market for people with special need like chocolate bar with low cholesterol.

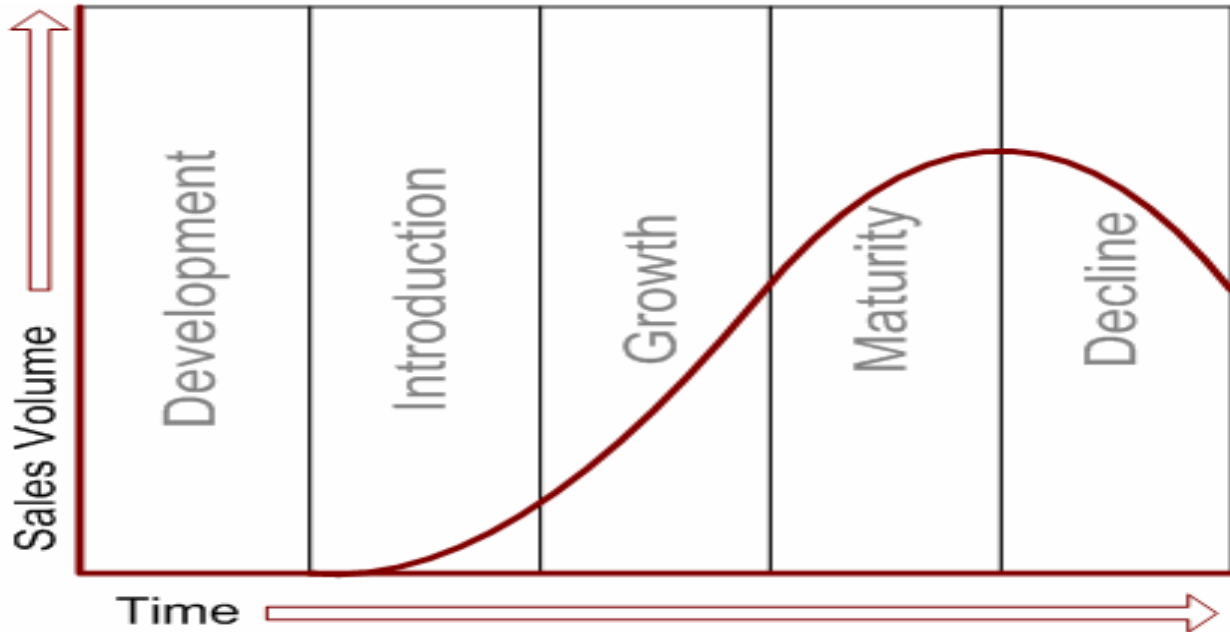
Place- Place is about getting the products to the customer. Some examples of distribution decision include

- Distribution channels
- Market Coverage
- Specific channel members
- Inventory management
- Warehousing
- Distribution centres
- Order processing
- Transportation
- Reverse logistics

Promotion-In the context of the marketing mix represents the various aspects of marketing communication, that is, the communication of information about the product with the goal of generating a positive customer response. You can promote you product in a lot of ways the most common are media advertising because they are most effective and most expensive, the could TV ads, magazines or radios going to newspapers or local newspapers. Marketing communication decisions include:

- Promotional strategy
- Advertising
- Personal selling & sales force
- Sale Promotions
- Public relations & publicity
- Marketing communications budget

Product life cycle



Product life cycle contains 5 stages

Development

Development is the making of the product and developing as much as you can so it is the best in the area or region and doesn't have any faults and has been tested a lot of times.

Introduction

The product is tested and developed before it is launched. Initial sales will be low until the consumer starts buying. At this point, production costs are much higher than the revenue from sales.

Growth

As sales increase production becomes more profitable. The early development costs can be recovered. The success of the product can lead to loyalty and repeat sales.

Maturity

The product reaches its peak of sale and is at its most profitable point for the company. Competitors have now entered the market which may reach saturation point.

Decline

As new models and designs come out, or fashions change, a product may become obsolete. Sales fall, as does revenue. It is no longer profitable to produce it.

Market Research

Market Research is a systematic, objective collection and analysis of data about a particular target market, competition, and/or environment. It always incorporates some form of data collection whether it is secondary research (often referred to as desk research) or primary research which is collected direct from a respondent.

The purpose of any market research project is to achieve an increased understanding of the subject matter. With markets throughout the world becoming increasingly more competitive, market research is now on the agenda of many organisations, whether they are large or small.

http://www.marketresearchworld.net/index.php?Itemid=38&id=14&option=com_content&task=view

Package design

The shape, size and color are important factors when packaging a product. The marketing department will want to make the packaging attractive and distinctive. Coke's packaging is dominated by red. This helps consumers to recognize a product instantly, when they are in a shop. The same applies to the shape of the packaging. Deodorants and shampoos, for example, come in all shapes and sizes. Remember that the actual product is inside the container, so the packaging and advertising are all that will attract us to try a product in the first place.

Brand name and logo

Large manufacturers understand the importance of their brand name. Kellogg's, Adidas and Microsoft are all household names which we associate with quality. As a result, we are likely to buy one of their products when we go shopping rather than an untried or unknown one even if it is say, a supermarket's own brand. This is why it is important for their brand name or a striking logo to be prominent on packaging.

Product differentiation

The main aim of product differentiation is to give a product a distinctive image which will differentiate it from similar products. An expensive perfume or aftershave might be sold in an elegantly designed bottle. This sort of packaging suggests quality and would be targeted at a person with taste. Even if the product itself was not very good, the packaging alone could give the impression that it was.

Why Marketing is Important?

Marketing is important in building customer relationships as well as creating product awareness. Without an effective marketing strategy you stand to not gain customers or lose customers which equates to revenue loss and no growth.

Attraction Marketing can help you build your business faster and with more stability in ANY PROGRAM. Attraction marketing is promoting a product or service in such a way that causes potential customers or prospects to want to hear about what you have to offer. In direct sales, it typically refers to promoting yourself as an expert, offering information that a prospect wants, and builds the basis of a real relationship with that prospect.

This strategy of drawing highly targeted, highly motivated prospects into your sphere of influence. Highly qualified prospects are the life blood of any network marketing business.

It provides valuable information to your customers. The more helpful and valuable your information is the greater the chance those customers will purchase from you.

<http://ezinearticles.com/?Why-Marketing-Is-Important-To-Your-Business&id=1167409>

Sampling

Random Sampling

- The process of selecting a group of people at random. Everyone should have an equal chance of chosen to answer.

Quota Sampling

- A quota of people will be selected from a variety of market segments. I.e. 20 males & 20 females. Often used as it is easy to carry out.

Stratified Sampling

- When people are spilt in to market segments then selected randomly.
- Not just the first 20 people but 20 people randomly selected from a target group

